[English]

Revival of Textile Mills of Ahmedabad

570. SHRI HARIN PATHAK : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government of Gujarat in consultation with the Textile Labour Association has submitted a project called 'Ahmedabad Project' for rejuvenation and revival of some 14 textile mills in Ahmedabad against a provision of 150 crore for revival of Ahmedabad Textile Mill in the Central Budget;

(b) if so, the details of the project;

(c) whether the project was accepted;

(d) if not, the reasons therefor; and

(e) the steps taken/being taken for revival of these mills?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) No, Sir.

(b) to (e) Do not arise.

Exemption on Income-Tax on Interest of N.S.S.

571. SHRI PRITHVIRAJ D. CHAVAN : Will the Minister of FINANCE be pleased to state:

(a) whether interest on the deposits under N.S.S. (1992) Scheme is exempted from Income-tax or is it liable to tax with facility under Section 80-L;

(b) whether the amount of deposit under N.S.S. (1992) is exempted from income-tax at the time of withdrawal on maturity; and

(c) whether on the analogy of N.S.S. (1987) Scheme, the nominee or legal heir of the Account-holder of N.S.S. (1992) is exempted from tax liability on the death of the Account-holder as in the case of N.S.S. (1987) Scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) Interest on deposits under National Savings Scheme contained in the National Savings Scheme Rules, 1992 is taxable under the Incom-tax Act, 1961. The provision of Section 80L of Income Tax act, 1961 is applicable in respect of such interest.

(b) Amount of deposit under National Savings Scheme, 1992 is exempted from Income-tax at the time of withdrawal on maturity. Only interest on the deposit is taxable income under Income Tax Act, 1961.

(c) National Savings Scheme Rules, 1992 provides that if the nominee or legal heir receives the interest on deposit on which the deceased would have been liable to pay tax had he not died, the nominee or legal heir shall be liable to pay tax on the same.

Vysya Bank Ltd.

572. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned "It took 17 years for acquittal of four accused in bank fraud" appearing in the Times of India dated July 26, 1997;

(b) if so, the action taken by the Government in the matter;

(c) whether frauds committed in the Vysya Bank Ltd. could have been avoided had the senior officers in the bank been little vigilant;

(d) if so, the action taken by the bank against the officers who failed to be vigilant;

(e) whether none of the officer who issued cheque books, and cleared the bogus cheques on fake signatures/ documents have not yet been chargesheeted though more than two years have passed; and

(f) if so, the reasons therefor and by when the bank propose to issue chargesheets to those officers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) Government have seen the news-item referred to in the Question.

(b) to (f) The information is being collected and will be laid on the Table of the House.

Impact of Fifth Pay Commission Report

573. SHRI SUSHIL CHANDRA : Will the Minister of FINANCE be pleased to state:

(a) the financial burden on the Union Government due to the acceptance of the recommendations of the Fifth Pay Commission during 1997–98 and the next three years and the scheme formulated to meet this financial burden;

(b) whether it has been ensured that additional increase in the salary would not have adverse impact on the core sector such as Primary Education. Health and Rural Development etc;

(c) if so, details thereof;

(d) the details of State Governments which give pay scale to their employees at par with the Union Government employees;

(e) whether any scheme has been formulated to meet the additional financial burden on the State Governments caused by the acceptance of the recommendations of the Pay Commission and to ensure that the infrastructure of the States do not affect adversely; and

(f) if so, the details thereof and the steps taken by the Government to meet the requirement of the States?